

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

25 January 1979

National Intelligence Officers

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director for National Foreign Assessment

National Intelligence Officer for Warning

FROM: Assistant National Intelligence Officer for China

SUBJECT: Monthly Warning Assessment: China

Summary

The main issue facing community representatives at the meeting on 17 January was the ominous situation along the Sino-Vietnamese border. An Alert Memorandum had been issued on 5 January; was a further warning prudent, and how did the community look at the issue with greater time for reflection and with the advantage of additional information available since the initial cut at the problem? The overwhelming consensus of the meeting was that a further Alert Memorandum was needed; this was issued after consultation with our colleagues following the Soviet Union on 19 January.

1. The Sino-Vietnamese Border Situation. All of us at the meeting felt the situation was dangerous and thought further deterioration was possible. This assessment had been reached by various analytical routes, and was held with less firmness by a few of us, but there was general agreement that a new Alert Memorandum--a warning not a prediction--was in order. We explored the possibility that the Chinese were merely posturing, that they were largely responding to Vietnamese provocations, or that they were simply reinforcing the border in light of long-term Vietnamese hostility. A few of us were attracted to one or another of these ideas, but nearly everyone had trouble carrying these arguments very

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far and most of us thought the evidence pointed to a Chinese decision to "teach Vietnam a lesson". Everyone recognized that there were strong political reasons for Chinese caution and restraint, but we felt the physical military evidence could not be ignored. Most of us felt that there would be no attack before Deng Xiaoping's visit, but the consensus was that an early attack could not be ruled out, and should be mentioned in our Alert Memorandum.

2. Possibility of a Sino-Soviet Clash. All representatives at our meeting felt that the Chinese had no intention of causing trouble on the common border; the decision lay with the Soviets. We could see reasons why the Soviets might feel compelled to act; we could also see reasons why they would wish to avoid action. Generally we thought this issue was best explored with our Soviet-watching colleagues. We did agree that the Soviets have thus far done little we could observe along the border. We thought the Chinese had begun defensive preparations, especially in Xinjiang. These preparations seemed to most of us to reinforce the hypothesis that the Chinese were preparing to act against Vietnam (and were therefore taking precautions against a Soviet response).

3. The Taiwan Strait. We touched only briefly on this issue. None of us saw any sign of trouble in the wake of normalization. Neither mainland military posture nor Beijing propaganda was aggressive. We thought there were in fact indications that some forces were being shifted away from the Strait area. There have been no signs of untoward military developments on the Nationalist side of the Strait.



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